## HOUSE COMMITTEE OF REFERENCE REPORT

February 1, 2019

	Chair of Committee Date
	Committee on <u>Health &amp; Insurance</u> .
	After consideration on the merits, the Committee recommends the following:
	HB19-1033 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:
1	Amend printed bill, page 3, after line 11 insert:
2	"SECTION 3. In Colorado Revised Statutes, add article 30 to
3	title 29 as follows:
4	ARTICLE 30
5	Regulation of Cigarettes, Tobacco Products, and
6	Nicotine Products
7	29-30-101. Regulation of cigarettes, tobacco products, and
8	<b>nicotine products.</b> The CITY COUNCIL OF A STATUTORY OR HOME RULE
9	CITY OR THE TOWN COUNCIL OF A STATUTORY TOWN MAY ADOPT AN
10	ORDINANCE TO REGULATE THE POSSESSION OR PURCHASING OF
11	CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS, AS DEFINED
12	IN SECTION 18-13-121 (5), BY A MINOR OR TO REGULATE THE SALE OF
13	CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS TO MINORS.".
14	Renumber succeeding sections accordingly.
15	Page 4, line 22, after the period add "FOR ANY CITY, TOWN, OR COUNTY
16	THAT WAS PREVIOUSLY DISQUALIFIED FROM THE APPORTIONMENT SET
17	FORTH IN THIS SUBSECTION (1)(a)(II)(A) BY REASON OF IMPOSING A FEE,
18	LICENSE, OR TAX RELATED TO THE SALE OF CIGARETTES, THE CITY, TOWN,
19	OR COUNTY IS ELIGIBLE FOR ANY ALLOCATION OF MONEY THAT IS BASED
20	ON AN APPORTIONMENT MADE ON OR AFTER THE EFFECTIVE DATE OF THIS
21	SUBSECTION (1)(a)(II)(A), AS AMENDED, BUT NOT FOR AN ALLOCATION OF

- 1 MONEY THAT IS BASED ON AN APPORTIONMENT MADE BEFORE THE
- 2 EFFECTIVE DATE OF THIS SUBSECTION (1)(a)(II)(A), AS AMENDED.".
- Page 5, line 1, strike "CITY, TOWN," and substitute "STATUTORY OR HOME
- 4 RULE MUNICIPALITY,".
- 5 Page 6, line 19, strike "AND ENFORCEMENT" and substitute
- 6 "ENFORCEMENT, AND ADMINISTRATION".
- 7 Page 7, line 15, strike "AND ENFORCES" and substitute "ENFORCES, AND
- 8 ADMINISTERS".

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- 9 Page 7, after line 25 insert:
- "(4) (a) EACH MUNICIPALITY IN THE STATE IS AUTHORIZED TO
  LEVY, COLLECT, ENFORCE, AND ADMINISTER A MUNICIPAL SPECIAL SALES
  TAX UPON ALL SALES OF CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
  PRODUCTS.
  - (b) A SPECIAL SALES TAX SHALL NOT BE LEVIED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE ELECTORS OF THE MUNICIPALITY IN ACCORDANCE WITH ARTICLE 10 OF TITLE 31. ANY PROPOSAL FOR THE LEVY OF A SPECIAL SALES TAX IN ACCORDANCE WITH SUBSECTION (4)(a) OF THIS SECTION MUST BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE MUNICIPALITY ON THE DATE OF THE STATE GENERAL ELECTION, ON THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, OR ON THE DATE OF A MUNICIPAL BIENNIAL ELECTION. ANY ELECTION ON THE PROPOSAL MUST BE CONDUCTED BY THE CLERK OF THE MUNICIPALITY IN ACCORDANCE WITH THE "COLORADO MUNICIPAL
- (5) IF A COUNTY OR MUNICIPALITY OBTAINED APPROVAL FROM THE
  ELIGIBLE ELECTORS OF THE COUNTY OR MUNICIPALITY PRIOR TO THE
  EFFECTIVE DATE OF THIS SUBSECTION (5), TO LEVY, COLLECT, ENFORCE,
  AND ADMINISTER A SPECIAL SALES TAX ON THE SALE OF CIGARETTES,
  TOBACCO PRODUCTS, OR NICOTINE PRODUCTS, THE SPECIAL SALES TAX IS
  VALID AND THE COUNTY OR MUNICIPALITY IS AUTHORIZED TO CONTINUE

ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31.

- 32 TO LEVY, COLLECT, ENFORCE, AND ADMINISTER THE SPECIAL SALES TAX;
- 33 EXCEPT THAT, IN THE CASE OF A COUNTY, THE COUNTY IS AUTHORIZED TO
- 34 CONTINUE TO LEVY, COLLECT, ENFORCE, AND ADMINISTER THE SPECIAL
- 35 SALES TAX SO LONG AS THE COUNTY COMPLIES WITH SUBSECTION (2) OF
- 36 THIS SECTION. IF A COUNTY LEVIES, COLLECTS, ENFORCES, AND

- 1 ADMINISTERS A SPECIAL SALES TAX IN A MUNICIPALITY THAT HAS
- 2 ALREADY OBTAINED VOTER APPROVAL TO LEVY A MUNICIPAL SPECIAL
- 3 SALES TAX ON THE SALE OF CIGARETTES, TOBACCO PRODUCTS, OR
- 4 NICOTINE PRODUCTS, THE COUNTY SPECIAL SALES TAX IS INVALID WITHIN
- 5 THE CORPORATE LIMITS OF THE MUNICIPALITY UNLESS THE COUNTY
- 6 ENTERS INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE
- 7 MUNICIPALITY PURSUANT TO SUBSECTION (3) OF THIS SECTION THAT
- 8 AUTHORIZES THE COUNTY TO CONTINUE TO LEVY, COLLECT, ENFORCE, AND
- 9 ADMINISTER THE SPECIAL SALES TAX ON CIGARETTES, TOBACCO
- 10 PRODUCTS, OR NICOTINE PRODUCTS WITHIN THE CORPORATE LIMITS OF THE
- 11 MUNICIPALITY.".
- 12 Renumber succeeding subsections accordingly.
- 13 Page 8, line 12, strike "(4)(b)." and substitute "(6)(b).".
- 14 Page 9, after line 2 insert:
- "SECTION 7. In Colorado Revised Statutes, amend 39-28.5-109 as follows:
- 39-28.5-109. Taxation by cities and towns. No provision of This article shall be construed to ARTICLE 28.5 DOES NOT prevent the A
- $19 \hspace{0.5cm} \textbf{STATUTORY} \, \textbf{OR} \, \textbf{HOME} \, \textbf{RULE} \, \textbf{MUNICIPALITY}, \textbf{COUNTY}, \textbf{OR} \, \textbf{CITY} \, \textbf{AND} \, \textbf{COUNTY}$
- FROM imposing, levying, and collecting of any SPECIAL SALES tax upon sales of CIGARETTES, tobacco products, OR NICOTINE PRODUCTS, AS THAT
- sales of CIGARETTES, tobacco products, OR NICOTINE PRODUCTS, AS THAT TERM IS DEFINED IN SECTION 18-13-121 (5), or upon the occupation or
- privilege of selling such CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
- products. by any city or town in this state, nor shall the provisions of This
- 25 article be interpreted to ARTICLE 28.5 DOES NOT affect any existing
- 26 authority of local municipalities GOVERNMENTS to impose a SPECIAL
- 27 SALES tax on CIGARETTES, tobacco products, OR NICOTINE PRODUCTS, IN
- 28 ACCORDANCE WITH SECTION 39-28-112, to be used for local and
- 29 municipal GOVERNMENTAL purposes.
- 30 **SECTION 8. Effective date.** This act takes effect July 1, 2019.".
- 31 Renumber succeeding section accordingly.
- 32 Strike "AND ENFORCE" and substitute "ENFORCE, AND ADMINISTER" on
- 33 **Page 5**, lines 12, 15, and 19; **Page 6**, lines 7 and 8, and 11; and **Page 7**,
- 34 lines 1 and 23.

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